



0000095704

BEFORE THE ARIZONA CORPORATION COMMISSION

KRISTIN K. MAYES

Chairman

GARY PIERCE

Commissioner

PAUL NEWMAN

Commissioner

SANDRA D. KENNEDY

Commissioner

BOB STUMP

Commissioner

Arizona Corporation Commission

DOCKETED

APR - 7 2009

DOCKETED BY

IN THE MATTER OF THE COMMISSION
ON ITS OWN MOTION INVESTIGATING
THE FAILURE OF NUMEROUS
UTILITIES TO FILE ANNUAL REPORTS
FOR CALENDAR YEAR 2007

DOCKET NO. C-00000A-09-0060

DECISION NO. 70964

ORDER TO SHOW CAUSE

Open Meeting

March 31 and April 1, 2009

Phoenix, Arizona

BY THE COMMISSION:

The Arizona Corporation Commission ("Commission"), hereby issues this Order to Show Cause against the following respondents:

DOCKET NO	COMPANY NAME
T-03711A	AIRNEX COMMUNICATIONS, INC.
T-03227A	AMERICOM TECHNOLOGIES, INC. dba NETWORK UTILIZATION SERVICES
T-03014A	CANDACE ADAIR dba ADAIR COMMUNICATIONS
W-02034A	CIENEGA WATER COMPANY, INC.
T-04258A	COGNIGEN NETWORKS, INC.
W-01558A	CROWN KING WATER COMPANY INC.
W-01351A	ELFRIDA DOMESTIC WATER USERS ASSOCIATION
T-20444A	EMPIRE PAYPHONES, INC.
W-01896A	HOLIDAY ENTERPRISES INCORPORATED dba HOLIDAY WATER COMPANY
T-03712A	JOHN WISER dba CACTEL
W-01557A	LAKE VERDE WATER COMPANY
T-03132A	LDC TELECOMMUNICATIONS, INC.
W-01961A	LUCKY HILLS WATER COMPANY
T-04119A	MGEN SERVICES CORP.

W-02164A	MORRISTOWN WATER COMPANY
W-04069A	OATMAN WATER COMPANY, L.L.C.
T-02960A	PAYPHONES PLUS INC.
W-02280A	SOUTH RAINBOW VALLEY WATER COOP.
T-02771A	SOUTHSIDE LIQUORS
W-01407A	STRAWBERRY WATER COMPANY
W-02386A	SUN LEISURE ESTATES UTILITIES COMPANY, INC.
WS-04247A	SUNRISE UTILITIES, L.L.C.
T-04124A	TELLISS, LLC
T-04312A	VALUTEL COMMUNICATIONS, INC. dba VALUTEL COMMUNICATIONS
T-03141A	VYCERA COMMUNICATIONS, INC.
T-04307A	WESTEL, INC.
W-04161A	WHITE HORSE RANCH OWNERS ASSOCIATION, INC.
T-02834A	WILDCAT WASH WELL, LTD.
W-01084A	WILLIAM P. FARR dba SALOME WATER COMPANY

FINDINGS OF FACT

The Commission, for its Complaint, and Order to Show Cause alleges as follows:

1. The Commission is an agency of the State of Arizona, existing by virtue of Article 15 of the Arizona Constitution.

2. Respondents are public service corporations as defined by Article 15, Section 2 of the Arizona Constitution, and were issued Certificates of Convenience and Necessity in accordance with Arizona Revised Statutes Section 40-281.

3. As public service corporations, respondents are subject to the jurisdiction of the Commission with regard to the matters herein alleged.

4. This Complaint is initiated and authorized pursuant to Arizona Revised Statutes, Sections 40-202, 40-204, 40-425, 40-426, and Arizona Administrative Code R14-2-411.D.4, R14-2-510.G.4, R14-2-610.D.4., R14-2-907.A., R14-2-1011.A., and R14-2-1115.F.

5. Investigation by the Commission's Staff ("Staff") reveals and the Commission alleges that Respondents have violated Arizona Revised Statutes and Commission Rules. The Commission alleges the following in support of this claim:

A. Pursuant to Arizona Revised Statutes Section 40-204 and Arizona Administrative Code R14-2-411.D.4, R14-2-510.G.4, R14-2-610.D.4., R14-2-907.A., R14-2-1011.A., and R14-2-1115.F., all public service corporations in

Arizona are required to file an annual report on or before April 15 of each year.

B. Despite repeated attempts by the Staff to persuade Respondents to file such reports, Respondents have failed to do so and are thus in violation of Arizona Revised Statutes Section 40-204 and Arizona Administrative Code, R14-2-411.D.4, R14-2-510.G.4, R14-2-610.D.4., R14-2-907.A., R14-2-1011.A., and R14-2-1115.F.

C. Pursuant to Arizona Revised Statutes Section 40-204, Respondents are in contempt of the Commission for their failure to comply with the aforementioned rules and requirements of the Commission.

6. The violations of Respondents to the aforementioned rules and requirements, as alleged herein, constitutes grounds to assess a civil penalty against Respondents pursuant to Arizona Revised Statutes Section 40-424 and 40-425, in an amount not less than \$100 nor more than \$5,000 for each violation, and/or revoke respondents certificate of convenience and necessity.

CONCLUSIONS OF LAW

1. The Respondents are public service corporations within the meaning of Article XV of the Arizona Constitution and is subject to the jurisdiction of the Commission.

2. The Commission has jurisdiction over the subject matter of Staff's Complaint and Order to Show Cause.

3. Notice of this proceeding has been given in accordance with law.

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ORDER

IT IS THEREFORE ORDERED that Respondents appear before the Arizona Corporation Commission at a time and place designated by the Commission's Hearing Division and show cause why the Commission should not find Respondents in violation and contempt of Arizona Laws and Commission rules, and show cause why the Commission should not assess against Respondents penalties as provided in Arizona Revised Statutes Sections 40-424 and 40-425, and/or cancel the respondents certificate of convenience and necessity.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION


CHAIRMAN


COMMISSIONER


COMMISSIONER


COMMISSIONER


COMMISSIONER

IN WITNESS WHEREOF, I, MICHAEL P. KEARNS, Interim Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 7th day of APRIL, 2009.


MICHAEL P. KEARNS
INTERIM EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

EGJ:KDB:lhv\NS

SERVICE LIST FOR: Various Regulated Utility Companies
DOCKET NO. C-00000A-09-0060

Airnex Communications, Inc.
3180 Crow Canyon Pl., Ste. 109
San Ramon, CA 94583

Lake Verde Water Company
PO Box 2777
Camp Verde, AZ 86322

Americom Technologies, Inc.
Network Utilization Services
PO Box 990-165
Boston, MA 02199

LDC Telecommunications, Inc.
c/o InterControllers
10012 N. Dale Mabry Hwy., Ste. 215
Tampa, FL 33618

Candace Adair
Adair Communications
4218 W. Flower St.
Phoenix, AZ 85019-4135

Lucky Hills Water Company
PO Box 309
Tombstone, AZ 85638

Cienega Water Company, Inc.
PO Box 3518
Parker, AZ 85344

MGEN Services Corp.
2510 N. Redhill Ave., Ste. 230
Santa Ana, CA 92705

Cognigen Networks, Inc.
6405 218th St SW., Ste. 305
Mountlake Terrace, WA 98043-2180

Morristown Water Company
PO Box 156
Morristown, AZ 85342

Crown King Water Company, Inc.
4918 W Park View Lane
Glendale, AZ 85310

Oatman Water Company, L.L.C.
9184 N. 81st St.
Scottsdale, AZ 85258

Elfrida Domestic Water Users Association
PO Box 356
Elfreda, AZ 85610

Payphones Plus Inc.
1635 E. Redfield Rd.
Tempe, AZ 85283

Empire Payphones, Inc.
1490 Westfork Dr., Ste. G
Lithia Springs, GA 30122

South Rainbow Valley Water Coop.
27205 S. 170th Ave.
Buckeye, AZ 85326

Holiday Enterprises Incorporated
Holiday Water Company
PO Box 309
Tombstone, AZ 85638

Southside Liquors
619 W. Frito Ave
Mesa, AZ 85210

John Wiser
Cactel
2027 Del Oro Lane
Yuma, AZ 85364

Strawberry Water Company
HC 1 Box 817
Pine, AZ 85544-9719

1 Sun Leisure Estates Utilities Company Inc.
2 c/o Crites & Associates
3 PO Box 5681
4 Yuma, Az 85366

Janice M. Alward
Chief Counsel, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

4 Sunrise Utilities, L.L.C.
5 PO Box 3630
6 Mesquite, NV 89024

6 Telliss, LLC
7 9093 Technology Dr., Ste. 104
8 Fisher, IN 46038

8 ValuTel Communications, Inc.
9 ValuTel Communications
10 13809 N. Highway 183, Ste. 705
11 Austin, TX 78750-1246

11 Vycera Communications, Inc.
12 1339 Caminito Laura
13 Encinitas, CA 92024-7003

13 Westel, Inc.
14 c/o Nick Tondre
15 9606 N. Mopac, St. 700
16 Austin, TX 78759

16 White Horse Ranch Owners Association, Inc.
17 PO Box 670
18 Dewey, AZ 86327-0660

19 Wildcat Wash Well, Ltd.
20 5212 E. 8th Street
21 Tucson, AZ 85711

21 William P. Farr
22 Salome Water Company
23 PO Box 550
24 Salome, AZ 85348

24 Ernest G. Johnson
25 Director, Utilities Division
26 Arizona Corporation Commission
27 1200 West Washington Street
28 Phoenix, Arizona 85007